

The Economic Impact of Nonprofit Arts and Cultural Organizations and Their Audiences in THE CITY OF SAN JOSÉ, CA

The Arts & Economic Prosperity 5 study provides compelling evidence that the nonprofit arts and culture sector is a \$191.2 million industry in the City of San José—one that supports 4,255 full-time equivalent jobs and generates \$13.5 million in local and state government revenue.

Nonprofit arts and cultural organizations, which spent \$73.5 million during 2015, leveraged a remarkable \$117.7 million in additional spending by their audiences—spending that pumped vital revenue into restaurants, hotels, retail stores, parking garages, and other local businesses.

By proving that investing in the arts and culture yields economic benefits, Arts & Economic Prosperity 5 lays to rest the misconception that communities support arts and culture at the expense of local economic development. In fact, communities that support the arts and culture not only enhance their quality of life—they also invest in their economic well-being.

The arts mean business in the City of San José!

| (Expenditures by both organizations <u>and</u> audiences) | |
|--|---------------|
| Total Direct Expenditures | \$191,209,479 |
| Full-Time Equivalent Jobs | 4,255 |
| Resident Household Income | \$91,719,000 |
| Local Government Revenue | \$5,866,000 |
| State Government Revenue | \$7,612,000 |

Total Impact of the Nonprofit Arts and Culture Industry



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The impact of spending by nonprofit arts and cultural organizations is far reaching: they pay their employees, purchase supplies, and acquire assets within the local community. Additionally, unlike most industries, the arts leverage significant event-related spending by their audiences. Whether serving the local community or out-of-town visitors, a vibrant arts and culture industry helps local businesses thrive.

| Impact of the Nonprofit Arts and Cultu | ral <u>Organizations</u> |
|--|--------------------------|
| Total Direct Expenditures | \$73,462,553 |
| Full-Time Equivalent Jobs | 2,286 |
| Resident Household Income | \$57,300,000 |
| Local Government Revenue | \$2,492,000 |
| State Government Revenue | \$3,195,000 |

| Impact of the Nonprofit Arts and | Cultural <u>Audiences</u> |
|----------------------------------|---------------------------|
| Total Direct Expenditures | \$117,746,926 |
| Full-Time Equivalent Jobs | 1,969 |
| Resident Household Income | \$34,419,000 |
| Local Government Revenue | \$3,374,000 |
| State Government Revenue | \$4,417,000 |

| Event-Related Arts and Cultural Audience Spending | | |
|---|------------------------|---------------------------|
| | Residents ¹ | NonResidents ¹ |
| Attendance | 2,710,787 | 742,445 |
| Percent of Total | 78.5% | 21.5% |
| Per Person Average | \$28.37 | \$55.01 |
| Total Spending | \$76,905,027 | \$40,841,899 |

| Average Dollars Spent Per Person , Per Event | |
|--|---------|
| Refreshments/Snacks At Event | \$5.60 |
| Meals Before/After Event | \$11.23 |
| Souvenirs and Gifts | \$3.34 |
| Clothing and Accessories | \$2.20 |
| Ground Transportation | \$5.69 |
| Event-Related Child Care | \$1.17 |
| Overnight Lodging (one night only) | \$4.81 |
| Other/Miscellaneous | \$0.08 |
| Total Per Person Spending | \$34.12 |

¹ Residents live within Santa Clara County; Nonresidents live elsewhere.

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